

**IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

IN RE:

AREU STUDIOS, LLC,

Debtor.

CHAPTER 11

CASE NO. 20-71228-PMB

**MOTION REQUESTING ENTRY OF ORDER APPROVING OFFER OF ADEQUATE
ASSURANCE OF FUTURE PERFORMANCE TO RESPONDENTS**

COMES NOW Areu Studios, LLC (collectively with Good Deed 317, LLC “Debtors”),¹ by and through the undersigned counsel, and hereby files this “*Motion Requesting Entry of Order Approving Offer of Adequate Assurance of Future Performance to Respondents*” (the “Motion”). In support of the Motion, Debtors shows the Court as follows:

Jurisdiction

1. This Court has jurisdiction over this Motion pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This Motion is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

Background

2. On October 29, 2020 (the “Petition Date”), Debtors each filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (as amended, modified, or supplemented the “Bankruptcy Code”).

3. Debtor Areu Studios, LLC operates a production studio with principal offices located at 3133 Continental Colony Parkway SW, Atlanta, GA 30331 (the “Premises”).

4. Debtor Good Deed 317, LLC owns the Premises.

¹ A motion requesting the same relief is being filed in Good Deed 317, LLC, Case No. 20-71227.

5. Pursuant to Sections 1107 and 1108 of the Bankruptcy Code, Debtors continue to operate their businesses as a debtors-in-possession.

6. Georgia Power Company provides electric services to Areu Studios, LLC at the Premises.

7. Gas South provides natural gas services to the Areu Studios, LLC at the Premises.

8. AT&T provides phone and internet services to Areu Studios, LLC at the Premises.

9. Sohonet provides internet services to Areu Studios, LLC at the Premises.

10. DirectTV provides cable tv services to Areu Studios, LLC at the Premises.

11. City of Atlanta Department of Watershed Management provides water and solid waste services to Good Deed 317, LLC at the Premises. (Georgia Power Company, Gas South, AT&T, Sohonet, DirectTV and City of Atlanta Department of Watershed Management are collectively referred to herein as the “Providers” or separately as “Provider”).

Relief Requested

12. By the Motion, Debtors request entry of an order: (a) prohibiting the Providers from altering, refusing, or disconnecting services on account of the failure to pay a prepetition invoice when due, the filing of this bankruptcy case, or the failure to post an additional deposit; (b) deeming the Providers adequately assured of future performance within the meaning of Section 366 of the Bankruptcy Code; and (c) establishing procedures for determining requests for additional adequate assurance made by Providers, if any.

Basis for Relief Requested

13. Section 366 protects a debtor from the immediate termination of services upon the commencement of a bankruptcy case and simultaneously requires a debtor to provide utility companies with adequate assurance of payment for post-petition utility services. See H.R. Rep.

No. 595, 95th Cong., 1st Sess. 350, reprinted in 1978 U.S.C.C.A.N. 6306. Section 366 of the Bankruptcy Code provides, in pertinent part, as follows:

(a) Except as provided in subsection (b) and (c), a utility may not alter, refuse, or discontinue service to, or discriminate against, the trustee or the debtor solely on the basis of the commencement of a case under this title or that a debt owed by the debtor to such utility for service rendered before the order for relief was not paid when due.

(c)(2) ...with respect to a case filed under chapter 11, a utility referred to in subsection (a) may alter, refuse, or discontinue utility service, if during the 30-day period beginning on the date of the filing of the petition, the utility does not receive from the debtor or the trustee adequate assurance for utility service that is satisfactory to the utility.

11 U.S.C. § 366(a) and (c)(2).

14. Section 366 applies to companies providing electricity, natural gas, water, and telephone services along with entities providing services that cannot be readily obtained or replaced or which has a monopoly with respect to the services being provided to a debtor. See H.R. Rep. No. 95-585, at 350 (1977); S. Rep. No. 95-989, at 60 (1978).

15. Debtors are capable of keeping current on post-petition obligations that will become due and owing to the Providers. Moreover, Debtors propose to pay \$100.00 to each Provider to be held by the Provider as a post-petition deposit. Accordingly, Debtors offer such along with the as adequate assurance of future performance.

16. The requested relief is in the best interest of the estate. Continuation of utility service is critical to Debtors' business operations. Any discrimination in providing services will result in serious damage to the Debtors' estates, and will jeopardize Debtors' reorganizational efforts.

17. The relief sought in this Motion is without prejudice to the rights of Providers to request additional assurances from the Debtors in the form of deposits or other security. With respect to requesting additional assurances, Debtors propose the following procedure:

(a) Provider must request additional assurance in writing so that it is actually received by Debtor's counsel, Cameron M. McCord, Jones, & Walden, LLC, 699 Piedmont Ave, Atlanta, Georgia 30308 within twenty-one (21) days after entry of an order approving this Motion (the "Provider Request Deadline"). Any requests received after the Provider Request Deadline shall be untimely and null and void;

(b) In the event Debtor believes that a timely request for additional assurances made by a Provider is unreasonable and the parties are unable to reach a consensual resolution, the Provider shall be required to file a motion for determination of adequate assurance of payment (the "Payment Determination Motion") requesting a hearing. A Payment Determination Motion must be filed within forty-five (45) days after entry of an Order approving this Motion.

(c) In the event a Hearing is scheduled, the Provider shall be deemed to have adequate assurance of payment until an order of the Court is entered in connection with the Hearing.

18. Notice of the Motion and any hearing thereon shall be provided to Providers, the United States Trustee and the parties reflected on the Debtors' mailing matrix.

WHEREFORE, Debtors requests that the Court: (i) approve the Motion and relief requested herein, (ii) direct that Providers shall not alter, refuse, or discontinue post-petition service on account of Debtors' bankruptcy filing or prepetition arrearages or the failure to post a deposit; (iii) approve the offered adequate assurance of payment offered herein; (iv) approve the procedures for requesting additional assurance of payment, and (v) grant such other relief as is deemed just and proper.

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Respectfully submitted this 12th day of November, 2020.

JONES & WALDEN LLC

/s/ Cameron M. McCord

Cameron M. McCord

Georgia Bar No. 143065

699 Piedmont Ave NE

Atlanta, Georgia 30308

(404) 564-9300

(404) 564-9301 Facsimile

cmccord@joneswalden.com

Proposed Attorney for Debtor in Possession

**IN THE UNITED STATES BANKRUPTCY COURT
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CASE NO. 20-71228-PMB

CERTIFICATE OF SERVICE

This is to certify that I have this day served a copy of the foregoing “*Motion Requesting Entry of Order Approving Offer of Adequate Assurance of Future Performance to Respondents*” via U.S. Mail upon the following parties and upon the parties listed on the attached mailing matrix:

Georgia Power Company
241 Ralph McGill Blvd NE
Atlanta, GA 30308

Gas South
3625 Cumberland Blvd SE
Atlanta, GA 30339

DirecTV
PO Box 105249
Atlanta, GA 30348

Sohonet Inc.
Dept LA 24489
Pasadena, CA 91185

AT&T
c/o Bankruptcy
4331 Communications Dr
Flr 4W
Dallas, TX 75211

City of Atlanta Department of
Watershed Management
72 Marietta St NW
Atlanta, GA 30303

This 12th of November, 2020.

JONES & WALDEN LLC

/s/ Cameron M. McCord

Cameron M. McCord

Georgia Bar No. 143065

Proposed Attorney for Debtor

699 Piedmont Ave, NE

Atlanta, GA 30308

(404) 564-9300

cmccord@joneswalden.com

Label Matrix for local noticing
113E-1
Case 20-71228-pmb
Northern District of Georgia
Atlanta
Thu Nov 12 14:50:29 EST 2020

2300 Parklake Center Dr
Tucker, GA 30084

Areu Studios, LLC
3133 Continental Colony Parkway SW
Atlanta, GA 30331-3109

Matthew R. Brooks
Troutman Pepper Hamilton Sanders LLP
Suite 3000
600 Peachtree Street, NE
Atlanta, GA 30308-2305

Cinelease
10 Southwoods Pkwy #100
Atlanta, GA 30354-3733

Clayton Robert Barker III
Law Offices of Robert Barker
4779 Sedberry Hill Court SE
Atlanta, GA 30339-5362

Corporate Creations Network In
2985 Gordy Parkway, 1st Floor
Marietta, GA 30066-3078

Cushman & Wakefield
1180 Peachtree Street NE #3100
Atlanta, GA 30309-7529

ECS, Inc.
15351 West 109th Street
Lenexa, KS 66219-1201

Endavo Media & Communications
3423 Piedmont Rd NE
Atlanta, GA 30305-1751

Green Fern Tree Service
1310 Northshore Drive
Roswell, GA 30076-2816

Humana
500 West Main Street
Louisville, KY 40202-4268

Internal Revenue Service
P. O. Box 7346
Philadelphia, PA 19101-7346

Johnson Controls
1350 Northmeadow Pkwy #100
Roswell, GA 30076-5703

LV Atlanta LLC
175 SW 7th St., Suite 2101
Miami, FL 33130-2962

Lawrence & Bundy LLC
1180 W. Peachtree St NW #1650
Atlanta, GA 30309-3728

Mary Propes
MFVDP, LLC
Charleston, SC 29492

Palmer Productions
2023 S. Westgate Avenue
Los Angeles, CA 90025-6118

Rene Jongsman
2828 Peachtree #2801
Atlanta, GA 30305-5119

Rinehart Security & Consulting
2451 Cumberland Pkwy, SE
Atlanta, GA 30339-6136

Secretary of the Treasury
15th & Pennsylvania Avenue, NW
Washington, DC 20200

Sohonet
12950 Culver Blvd, Suite 100
Los Angeles, CA 90066-6785

Spot on Content LLC
6787 West Tropicana, Suite 233
Las Vegas, NV 89103-4913

Shawna Staton
Office of the United States Trustee
362 Richard Russell Building
75 Ted Turner Drive, SW
Atlanta, GA 30303-3315

U. S. Securities and Exchange Commission
Office of Reorganization
Suite 900
950 East Paces Ferry Road, NE
Atlanta, GA 30326-1382

ULINE
12575 Uline Drive
Pleasant Prairie, WI 53158-3686

VSC Fire Security
1780 Corporate Drive, Ste 425
Norcross, GA 30093-2958

UnitedHealthcare Insurance Company
ATTN: CDM/Bankruptcy
185 Asylum Street
03B
Hartford, CT 06103-3408